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Of Attorneys for Debtor-in-Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re) Case No. 16-30406-rld11
)
SeaPort Airlines, Inc.,) MOTION FOR EXPEDITED HEARING ON
) FIRST DAY MOTIONS
)
Debtor-in-Possession.)

CERTIFICATION

In compliance with LBR 7007-1(c)(3), Debtor-in-Possession SeaPort Airlines, Inc.'s ("Debtor") attorneys, Robert J Vanden Bos / Douglas R. Ricks ("Counsel"), certifies that he has made a good faith effort to confer with the interested parties regarding the need for an expedited hearing regarding each of the following Motions filed with this Court:

1. Motion for Authority to Pay Prepetition Payroll, Payroll Taxes, Employee Health Insurance Premiums, and Workers' Compensation Insurance Premiums and Other Employee Expenses (the "Payroll Motion");
2. Motion for an Order Authorizing Payment or Honoring of Prepetition Obligations to Ticket Holders, Travel Agents and Interline Sales

Partners and Obligations for Bank Charges (the "Ticket Holder Motion");

3. Debtor's Motion for an Order Authorizing Debtor to Assume a Certain Credit Card Processing Agreement with Gravity Payments, Inc. Effective as of the Petition Date (the "Gravity Payments Motion");
4. Debtor's Motion for an Order Authorizing Debtor to Assume a Certain Credit Card Processing Agreement with American Express Company Effective as of the Petition Date (the "AMEX Motion");
5. Debtor's Motion for Order Authorizing Maintenance of Cash Management Systems and for Continued Use of Certain Existing Bank Accounts (the "Bank Account Motion"); and
6. Debtor's Motion for Entry of Interim and Final Orders (1) Authorizing Debtor to Obtain Credit, (2) Granting Liens, Security Interests, and Superpriority Claims, and (3) Scheduling a Final Hearing (the "Credit Motion").

Collectively referred to as the "First Day Motions."

Debtor's Counsel conferred with and/or forwarded copies of the above First Day Motions as follows:

1. Counsel spoke with Carla McClurg of the U.S. Trustee's office, by telephone. Ms. McClurg stated that the U.S. Trustee's office did not oppose an expedited hearing for all of the above First Day Motions, excepting her position is the Payroll Motion can be differed as the next payday does not occur until February 19, 2016.
2. Copies to the parties listed on the attached **Exhibit A**.

MOTION

Pursuant to FRBP 4001(b)(2), 4001(c)(2), and 9014, Debtor, by and through his

attorneys, Vanden Bos & Chapman, LLP, moves the Court for the entry of an order setting an expedited hearing to consider entry of Orders regarding the above listed Motions. An expedited preliminary hearing is necessary for the reasons stated in Debtor's First Day Motions and summarized as follows:

BACKGROUND

3. Debtor is an Alaska corporation with its principal place of operations in Portland, Oregon that operates a scheduled airline in the United States out of its principal hubs at the Portland International Airport ("PDX") and Memphis International Airport ("MEM"). A regional airline focused on connecting rural communities to the national transportation network, Debtor operates a fleet of five (5) leased aircraft on routes with destinations in El Dorado, Harrison and Hot Springs, Arkansas; Houston, Texas; Memphis, Tennessee; and Pendleton and Portland, Oregon.

4. Due to a change in federal regulations on pilot qualifications, small airlines like Debtor have experienced an extreme attrition in available pilots. As such, Debtor has had to implement a new recruitment and retention plan for its pilots.

5. However, the pilot shortage problem was far greater than Debtor could reasonably accommodate and as a result, Debtor had to cancel service to many areas for its survival. Within the last thirty days, Debtor has had to cease flights to Sacramento, Visalia, Burbank, San Diego and Imperial, California, as well as North Bend, Oregon (effective March 20, 2016); Salina and Great Bend, Kansas; Kansas City, Missouri; and San Felipe, Baja California in Mexico.

6. As a result of the foregoing events, Debtor has seen a drastic reduction in its revenues and is unable to meet its current liquidity needs. In order to implement its

planned reorganization, Debtor requires stability with its current revenue streams and payment systems. For that reason Debtor seeks approval of this Motion.

7. In order to maintain stability with its current cash flow and maintain its business relationships, the Debtor must continue to pay its employees, serve its customers and other revenue sources, prevent disruption in its established payment systems, and be able to continue to accept various methods of payment for tickets. The First Day Motions seek authority to fulfill these objectives and to prevent a collapse of the Debtor out of the gate.

8. Irreparable harm will come to the Debtor if the First Day Motions are not heard and granted on an expedited basis. Without approval of the Payroll Motion, the Debtor would lose employees, including pilots, and would be unable to continue its operations. The Ticket Holder Motion ensures that validly purchased tickets will continue to be honored and that obligations which arise from the Debtor's various sources of business will continue to be honored in the ordinary course. Without the authority requested in the Ticket Holder Motion, the Debtor would lose the goodwill of its customers and ticket sales partners to a fatal degree. Finally, the Gravity Payments Motion, AMEX Motion, and Bank Account Motion maintain the Debtor's ability to accept credit card payments and process the same without any interruption. Without such authority, the Debtor will undoubtedly lose customers and the reorganization effort would be severely compromised.

9. Likewise, the Debtor needs a cash infusion on an immediate basis. The required route cancellations have strained the Debtor's cash flow and consumed its cash reserves. The Credit Motion addresses this issue by permitting the Debtor to obtain sufficient cash to fund operations postpetition. Expedited consideration of an interim order

approving postpetition financing is critical to continuing the Debtor's operations and ensured the viability of the Debtor's reorganization.

WHEREFORE, Debtor requests the Court set a hearing on Debtor's First Day Motions on an expedited basis.

Respectfully submitted;

VANDEN BOS & CHAPMAN, LLP

By: /s/Robert J Vanden Bos

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Christopher N. Coyle, OSB #07350

Of Attorneys for Debtor-in-Possession

In re SeaPort Airlines, Inc.;

Chapter 11 Bankruptcy Case No. 16-30406-rld11
Service List

**First Class Mail and via email or fax
as indicated for each party:**

SeaPort Airlines, Inc.
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Largest 20 Unsecured Creditors:

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Electronic Mail:

The foregoing was served on all
CM/ECF participants through the
Court's Case Management/ Electronic
Case File system.

CERTIFICATE - TRUE COPY

DATE: February 5, 2016

DOCUMENT: MOTION FOR EXPEDITED HEARING ON FIRST DAY
MOTIONS

I hereby certify that I prepared the foregoing copy of the foregoing named document and have carefully compared the same with the original thereof and it is a correct copy therefrom and of the whole thereof.

CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing on:

See Exhibit A Attached to Motion.

by mailing a copy of the above-named document to each of them in a sealed envelope, addressed to each of them at his or her last known address. Said envelopes were deposited in the Post Office at Portland, Oregon, on the below date, postage prepaid.

I hereby certify that the foregoing was served on all CM/ECF participants through the Court's Case Management/Electronic Case File system on the date set forth below.

Dated: February 5, 2016

VANDEN BOS & CHAPMAN, LLP

By: /s/Robert J Vanden Bos
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